and not theoretical or problematical. *Oregon R. & S. Navigation Co.* v. *Dumas* (1910), — C. C. A., 9th Cir. —, 181 Fed. 781.

Contracts by common carriers and other quasi public corporations, making undue discriminations in favor of particular persons are generally prohibited by statute, but they are also illegal as being opposed to the best interests of the public. *Illinois etc. R. Co.* v. *Ervin,* 118 Ill. 250, 8 N. E. 862, 59 Am. Rep. 369; *Chesapeake etc. Tel. Co.* v. *Baltimore etc. Tel. Co.,* 66 Md. 399, 7 Atl. 809, 59 Am. Rep. 167. As the habits, opinions, and wants of a people vary with the times so public interest may change with them. *Dixon* v. *U. S.,* 1 Brock (U. S.) 177. Public policy is variable, the very reverse of that which is in the interest of the public at one time may become public policy at another; hence no fixed rule can be given by which to determine what is public policy. *Griswold* v. *Illinois Cent. R. Co.,* 90 Iowa 265, 268, 57 N. W. 843, 24 L. R. A. 647. It has been held that in the federal courts the question whether a contract is against the interest of the public is a question of general law and not dependent solely upon any local statute or usage. *Liverpool etc. Steam Co.* v. *Phenix Ins. Co.,* 129 U. S. 397, 9 Sup. Ct., 469, 32 L. Ed. 788. Whether a contract is injurious to the interests of the public is a question of law for the court to determine from all the circumstances of each case. *Smith* v. *Du Bose,* 78 Ga. 413, 3 S. E. 309, 6 Am. St. Rep. 260; *Weber* v. *Shay,* 56 Ohio St. 116, 46 N. E. 377, 60 Am. St. Rep. 743, 37 L. R. A. 230. It must not be forgotten that the rules by which a given contract is void as against public policy are not to be arbitrarily extended, because if there is one thing more than another which the welfare of the public requires it is that men of full age and competent understanding shall have the utmost liberty of contracting and that their contracts when entered into freely and voluntarily shall be held sacred and shall be enforced by courts of justice. *Printing etc. Registering Co.* v. *Sampson,* 44 L. J. Ch. 705, 32 L. T. (N. S. 354, 23 W. R. 463.

CORPORATIONS—INJURY TO MINORITY STOCKHOLDERS—REMEDY BY INJUNCTION.—A minority stockholder of the Sumter Commercial and Real Estate Company brought an action to enjoin the sale of the real estate of the corporation to E. R. Wilson, another of the stockholders. The allegations of the complaint showed that one Thomas Wilson, having bought a majority of the corporate stock, connived with other stock holders to have the real estate sold to E. R. Wilson, his son, at a grossly inadequate price; that the action of the majority was in furtherance of a scheme of Thomas Wilson to procure the said real estate for himself, through the agency of his son, to the detriment of the corporation, and in fraud of the rights of the minority of the stockholders. *Held,* that courts of equity may enjoin, at the suit of the minority stockholders of a corporation, any action of the majority stockholders which is plainly oppressive to the minority and in fraud of their rights. *Andrews* v. *Sumter Commercial & Real Estate Co. et al.* (1910), — S. C. —, 69 S. E. 604.

It is a familiar principle that any single stockholder or a minority of the stockholders of a corporation is bound by the action of the majority. It is

also a rule equally familiar that courts will not interfere ordinarily with the internal management of corporations. 5 THOMPSON, CORP., § 5693. But the protection of the rights of shareholders in incorporated companies against the improper, fraudulent, or illegal actions of other shareholders, or of the officers of the company, is a favorite branch of the jurisdiction of equity by injunction. 2 HIGH, INJUNCTIONS. § 1203. Shareholders, in their capacity as shareholders, cannot however, sue in equity to redress wrongs done to the corporation, for the corporation in such a case is the real party in interest. 1 MORAWETZ, CORP., § 235. The doctrine of the principal case finds support in the distinction between actions by shareholders to redress wrongs done to the corporation, and actions to redress wrongs to the shareholders themselves. In order that equity jurisdiction may be invoked in cases not governed by statute, three things must ordinarily concur: (1) The matter complained of must be a breach of duty on the part of the directors or majority stockholders. *Hingston* v. *Montgomery,* 121 Mo. App. 451, 97 S. W. 202; *Ward* v. *Hotel Randolph Co.,* 65 W. Va. 721, 63 S. E. 613; *Clark* v. *Apex Mining Co.,* 13 N. M. 416, 85 Pac. 968. (2) The corporation itself must fail or refuse to demand redress. *Polhemus* v. *Polhemus,* 108 App. Div. 353, 95 N. Y. Supp. 325; *Perkins* v. *No. Pac. Co.,* 155 Fed. 445. (3) There must be an injury to the minority stockholders. *MacGinniss* v. *Boston etc. Mining Co.,* 29 Mont. 428, 75 Pac. 89; *Rosenbaum* v. *Rice,* 86 App. Div. 617, 83 N. Y. Supp. 494; *Hill* v. *Nisbet,* 100 Ind. 341. When these elements concur, the courts uniformly grant relief by injunction at the suit of an individual stockholder. See 10 CYC. 966 and cases there cited. As a general rule, however, the courts will not interfere at the suit of a minority shareholder, to control the discretion of directors or majority shareholders on questions of corporate management or policy, in the absence of fraud, negligence, or usurpation of power. MORAWETZ, CORP., § 243; 10 CYC. 969. For a recent case on this point, see *Red Bud Realty Co.* v. *South et al.* (1910), — Ark. —, 131 S. W. 340.

CORPORATIONS—NATURE OF A CORPORATION—FRANCHISES.—The city of Tacoma granted a franchise to the Tacoma Railway & Power Company, a New Jersey corporation, and provided for single fares over all lines controlled by it and for a transfer system covering such lines. Subsequently the city granted a franchise to the Pacific Traction Company, a Maine corporation, to operate street railways, and provided for a transfer to any other line within the city, which might give and receive transfers to and from the lines operated under the franchise. In 1909, the Puget Sound Electric Railway acquired a majority of the stock of the two railway companies, above mentioned, and for economy of administration, a physical connection between the two railways was made, the offices of the Pacific Traction Company were closed, and all the office work for the two companies was thereafter discharged at the offices of the Tacoma Railway & Power Company. In an action against the Tacoma Railway and Power Company to compel the giving of transfers from one system to the other, *Held,* that since the Tacoma Railway & Power Company and the Pacific Traction Company continued to exist as independent